TRANSPORTATION CONTRACT

2026 - 2028

HERMANTOWN
COMMUNITY SCHOOLS

Ratified: June 8, 2026

BARGAINING AGREEMENT
BETWEEN
AMERICAN FEDERATION OF STATE, COUNTY, and MUNICIPAL EMPLOYEES, LOCAL 66
AND
HERMANTOWN INDEPENDENT SCHOOL DISTRICT #700

JULY 1, 2026 - JUNE 30, 2028

FOR ALL TRANSPORTATION EMPLOYEES

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PREAMBLE

The Independent School District No. 700 of Hermantown and Local 66 of the American Federation of State, County and Municipal Employees, AFL-CIO, representing employees covered by terms of these Rules and Regulations referred to hereinafter as the Union, do hereby reach an understanding agreement for the purpose of enhancing the material conditions of the employees, to promote the general efficiency of the transportation system of the Independent School District No. 700, and to promote the morale, well-being and security of the employees. The School District alone shall determine the manner and method of operating the business of the School District without any interference on the part of the Union or any of its representatives subject to the terms and provisions of this agreement. Nothing in this agreement shall be deemed to limit the School District in any way in the exercise of the regular and customary functions of management as legislatively empowered, except as expressly specified and modified herein.

ARTICLE 1

RECOGNITION

SECTION 1 SCHOOL DISTRICT RECOGNITION. In accordance with the P.E.L.R.A., the School District recognizes the Union as the exclusive representative for all employees in the classifications of Bus Driver and Bus Foreman employed by the School District, which exclusive representative, shall have those rights and duties as prescribed by the P.E.L.R.A. and as described in the provisions of this Agreement.

SECTION 2 EXCLUSIVE REPRESENTATIVE. The exclusive representative shall represent all such employees of the district contained in the appropriate unit as defined in Article 2, Section 2 of this Agreement and the P.E.L.R.A. and in certification by the Commissioner of Mediation Services, if any.

SECTION 3 COLLECT BARGAINING. All collective bargaining with respect to wages, hours, and working conditions shall be conducted by authorized representatives of the Union and authorized representatives of the Hermantown School District.

ARTICLE 2

DEFINITIONS

SECTION 1 TERMS AND CONDITIONS. The term "terms and conditions of employment" means the hours of employment, the compensation therefore including fringe benefits except retirement contributions or benefits other than employer payment of, or contributions to, premiums for group insurance coverage for retired employees or severance pay, and the employer's personnel policies affecting the working conditions of the employees. "Terms and conditions of employment" is subject to the provisions of P.E.L.R.A.

SECTION 2 BUS DRIVER AND BUS FOREMAN. For purposes of this Agreement, the term Bus Driver and Bus Foreman shall mean all persons in the appropriate unit employed by the school district in such classifications excluding the following: confidential employees, supervisory employees, essential employees, part-time employees whose services do not exceed the lesser of 14 hours per week or 35 percent of the normal work week in the employees bargaining unit, employees who hold positions of a temporary or seasonal character for a period not in excess of 67 working days in any calendar year unless those positions have already been filled in the same calendar year and the cumulative number of days in the same position by all employees exceeds 67 calendar days in that year and emergency employees.

SECTION 3 ADMINISTRATION. For purposes of administering this Agreement, the term "School District" shall mean the School Board or its designated representative.

SECTION 4 TERMS NOT DEFINED. Terms not defined in this Agreement shall have those meanings as defined by the P.E.L.R.A.

ARTICLE 3

SCHOOL BOARD RIGHTS

SECTION 1 EXCLUSIVE REPRESENTATIVE. The exclusive representative recognizes that the school board is not required to meet and negotiate on matters of inherent managerial policy, which include, but are not limited to, such areas of discretion or policy as the functions and programs of the employer, its overall budget, utilization of technology, the organizational structure and selection and direction and number of personnel.

SECTION 2 RECOGNITION OF RIGHT AND OBLIGATION. The exclusive representative recognizes the right and obligation of the school board to efficiently manage and conduct the operation of the school district within its legal limitations and with its primary obligation to provide educational opportunity for the students of the school district.

SECTION 3 PERFORMANCE OF SERVICE. The exclusive representative recognizes that all employees covered by this Agreement shall perform the services prescribed by the school board and shall be governed by the laws of the State of Minnesota, and by school board rules, regulations, directives and orders, issued by properly designated officials of the school district. The exclusive representative also recognizes the right, obligation and duty of the school board and its duly designated officials to promulgate rules, regulations, directives and orders from time to time as deemed necessary by the school board insofar as such rules, regulations, directives and orders are not inconsistent with the terms of this Agreement. Any provision of this Agreement found to be in violation of any such laws, shall be null and void and without force and effect.

SECTION 4 OTHER INHERENT MANAGERIAL RIGHTS. The foregoing enumeration of rights and duties shall not be deemed to exclude other inherent management rights and management functions not expressly reserved herein, and all management rights and management functions not expressly delegated in this Agreement are reserved to the school district.

ARTICLE 4

EMPLOYEE RIGHTS

SECTION 1 RIGHT OF EXPRESSION. Nothing contained in this Agreement shall be construed to limit, impair or affect the right of any employee or representative to the expression or communication of a view, grievance, complaint or opinion on any matter related to the conditions or compensation of public employment or their betterment, so long as the same is not designed to and does not interfere with the full, faithful and proper performance of the duties of employment or circumvent the rights of the exclusive representative.

SECTION 2 RIGHT TO JOIN. Right to Join: Pursuant to P.E.L.R.A., employees shall have the right to form and join labor or employee organizations, and shall have the right not to form and join such organizations. Employees in an appropriate unit shall have the right by secret ballot to designate an exclusive representative for the purpose of negotiating grievance procedures and the terms and conditions of employment for employees of such unit with the school district.

SECTION 3 DUES CHECK OFF. The exclusive representative shall be allowed dues check off for its members, provided that dues check off and the proceeds thereof shall not be allowed to any exclusive representative that has lost its right to dues check off, pursuant to P.E.L.R.A. Upon receipt of a properly executed authorization card of the employee involved, the school district will deduct from the employee's paycheck the dues that the employee has agreed to equal installments, beginning with the first pay period.

ARTICLE 5

SENIORITY PROMOTION AND VACANCIES

SECTION 1 PROBATIONARY PERIOD. New employees to Bus Driver position will be hired at the Entry-Level and serve a probationary period of six (6) continuous calendar months from date of employment. New employees shall acquire seniority upon the successful completion of the probationary period and, upon acquiring seniority, the seniority date shall relate back to the date the individual is employed by the District. If more than one employee commences work on the same date, seniority ranking for such employees shall be determined by the School District with participation of the Union. On that date the driver will have the lowest seniority among all drivers in the employment of the district. The employee's seniority list shall be brought up to date each year and a copy shall be sent to the Union. The School District shall have the unqualified right to suspend without pay, discharge or otherwise discipline the employee; and during this probationary period, the employee shall have no recourse to the grievance procedure, except as it relates to non-discipline provisions of the contract.

SECTION 2 PROMOTIONS. Promotions to higher job classifications will be made from the ranks of the unit, whenever possible. Recommendations will be made by the Administrator, based on seniority, ability, competence, and will be at the discretion of the Board. Any person so promoted shall be subject to a sixty (60) day probationary period.

SECTION 3 ADVANCEMENT. The Board of Education will establish the number of necessary positions for each classification of employment. Employment and advancement of personnel will be dependent upon open positions available; however, if all employees applying for the job are equally qualified for the work, the most senior employee will be promoted.

SECTION 4 VACANCY POSTING. All vacancies and newly-created positions in the transportation department of the School District whether it be bus driver or bus foreman shall be posted stating the type of work, place of work, hours, pay rate, and classification.

SECTION 5 NOTICE OF VACANCY. Notice of all vacancies and newly-created positions shall be given to drivers or posted on employees' bulletin board and employees given time equal to five (5) business days to make application for such positions. Should the District seek to promote an employee with less seniority, but who has better qualifications, the matter is to be referred to representatives of the School District and the Union to be settled as a grievance order.

SECTION 6 SENIORITY BID FOR ROUTES. Any routes becoming vacant or newly created shall be put up for bid amongst the regular and entry level drivers with seniority to prevail as to the selection of the vacant or newly created route. Substitute drivers will be given first consideration for filling full-time vacancies. Appointments to these vacancies shall be based on qualifications. Should qualifications be equal, then driving experience with the School District shall prevail. Qualifications shall include driving experience with the School District, experience, ability to perform related work, work attendance, attitude, aptitude, versatility, driving record, and availability.

ARTICLE 6

LAYOFF

SECTION 1 LAYOFF ORDER. When it becomes necessary to reduce the force, layoff shall be according to seniority, within classification. When the Hermantown School District considers scheduling a layoff, the matter shall first be submitted to the Union representative for negotiation so that an orderly acceptable process may be obtained. Strict application of seniority, within classification shall prevail.

SECTION 2 EMERGENCY LAYOFF. In the event school is closed for any reason, such as an epidemic, fire, or cause over which the School District may have no control, all or such of the employees as may not be needed shall be laid off until the emergency subsides.

SECTION 3 PERMANENT LAYOFF. Prior to a permanent layoff, with exception of summer recess, written notification shall be hand delivered to each affected employee. If written notification cannot be hand delivered for whatever reason, the School District shall send such notice by certified mail with return receipt requested to all affected employees.

ARTICLE 7

SUSPENSIONS AND DISMISSAL

SECTION 1 DISMISSAL. The Hermantown School District will act in good faith in suspensions or dismissal of an employee. The following procedures shall be used in situations involving Suspension or Dismissal:

Suspension

1) An employee can be suspended for just cause as specified in Section 2.
2) The employee and the Union shall be served with a written notice, by Certified Mail, containing the specific charges against him/her.
3) The notice of a suspension may be the subject of a disciplinary grievance.

Dismissal

1) The employee may first be suspended and served with a written notice by Certified Mail containing the specific charges against him/her, with a copy to the Union.
2) Prior to the dismissal of an employee, the employee and/or his/her representative shall be afforded the opportunity to offer his/her defense before the next School District meeting following the suspension.
3) Should the Union present a disciplinary grievance in connection with a dismissal the dismissal shall be reviewed under the terms of the Grievance Procedure as is specified in Article 8.

SECTION 2 DISCIPLINARY SUSPENSION. All School Bus Drivers shall be subject to a disciplinary suspension or dismissal for cause while on the job or by due process of law.

The causes for dismissal or suspension are as follows:

1) Theft.
2) Use of or possession of intoxicating beverages, controlled substance, or intoxication while on the job.
3) Immorality
4) Insubordination.
5) Failure of an employee to do a satisfactory job.
6) Abuse of sick leave privileges.
7) Driving in an unsafe manner while on the job**.**
8) Violations of State or Federal traffic regulations while on the job.

9) Loss of bus driver's endorsement or DWI or DUI after appeal process through state of MN.

ARTICLE 8

GRIEVANCE PROCEDURE

SECTION 1 GRIEVANCE DEFINITIONS: A "grievance" shall mean an allegation by the Union resulting in a dispute or disagreement between the Union and the School District as to the interpretation or application of terms and conditions contained in this Agreement.

SECTION 2 REPRESENTATIVE: The Union, administrator, or School Board may be represented during any step of the procedure and any person or agent designated by such party is authorized to act in that party's behalf.

SECTION 3 DEFINITIONS AND INTERPRETATION:

Subd. 1. Extension: Time limits specified in this Agreement may be extended by mutual agreement.

Subd. 2. Days: Reference to days regarding time periods in this procedure shall refer to working days. A working day is defined as all weekdays not designated as holidays by state law.

Subd. 3. Computation of Time: In computing any period of time prescribed or allowed by procedures herein, the date of the act, event, or default for which the designated period of time begins to run shall not be included. The last day of the period so computed shall be counted, unless it is a Saturday, a Sunday, or a legal holiday, in which event the period runs until the end of the next day which is not a Saturday, a Sunday, or a legal holiday.

Subd. 4. Filing and Postmark: The filing or service of any notice or document herein shall be timely if it is personally served or if it bears a certified postmark of the United States Postal Service within the time period.

SECTION 4 TIME LIMITATION AND WAIVER: Grievances shall not be valid for consideration unless the grievance is submitted in person (face to face) by the Union in writing to the School District's designee or an Administration office employee setting forth the facts and the specific provision of the Agreement allegedly violated and the particular relief sought within (20) twenty days after the date of the first event giving rise to the grievance occurred. Failure to file any grievance within such period shall be deemed a waiver thereof. Failure to appeal a grievance from one level to another within the time periods hereafter provided shall constitute a waiver of the grievance. Failure of administration to respond within time periods shall constitute a denial of the grievance and the Union may appeal to the next level. An effort shall first be made to adjust an alleged grievance informally between the Union and the School District's designee.

SECTION 5 ADJUSTMENTS OF GRIEVANCE: The School District and the Union shall address all grievances which may arise during the course of employment of any employee within the School District in the following manner:

Subd. 1. Level I: If the grievance is not resolved through informal discussion, the School District's designee shall give a written decision on the grievance to the Union within (20) twenty days in person after receipt of the written grievance.

Subd. 2. Level II: In the event the grievance is not resolved in Level I, the decision rendered may be appealed by the Union to the superintendent of schools, provided such appeal is made in writing within (20) days in person after receipt of the decision in Level I. If a grievance is properly appealed by

the Union to the superintendent, the superintendent or designee shall set a time to meet regarding the grievance within (20) days after receipt of the appeal. Within (20) days after the meeting, the superintendent or designee shall issue a decision in writing to the Union.

Subd. 3. Level III: In the event the grievance is not resolved in Level II, the decision rendered may be appealed by the Union to the School Board, provided such appeal is made in writing within (20) twenty days in person after receipt of the decision in Level II. If a grievance is properly appealed by the Union to the School Board, the School Board shall set a time to hear the grievance within (20) twenty days after receipt of the appeal. Within (20) twenty days after the meeting, the School Board shall issue its decision in writing to the Union. At the option of the School Board, a committee or representative(s) of the board may be designated by the board to hear the appeal at this level, and report its findings and recommendations to the School Board. The School Board shall then render its decision.

SECTION 6 SCHOOL BOARD REVIEW: The School Board reserves the right to review any decision issued under Level I or Level II of this procedure provided the School Board or its representative notify the parties of its intention to review within ten days after the decision has been rendered. In the event the School Board reviews a grievance under this section, the School Board reserves the right to reverse or modify such decision.

SECTION 7 DENIAL OF A GRIEVANCE: Failure by the School Board or its representative to issue a decision within the time periods provided herein shall constitute a denial of the grievance and the Union may appeal it to the next level.

SECTION 8 ARBITRATION PROCEDURES: In the event that the Union and the School Board are unable to resolve any grievance, the grievance may be submitted by the Union to arbitration as defined herein:

Subd. 1. Request: A request to submit a grievance to arbitration must be in writing signed by the Union, and such request must be filed in the Office of the Superintendent within (20) twenty days following the decision in Level III of the grievance procedure.

Subd. 2. Prior Procedure Required: No grievance shall be considered by the arbitrator, which has not been first duly processed in accordance with the grievance procedure and appeal provisions.

Subd. 3. Selection of Arbitrator: Upon the proper submission of a grievance by the Union under the terms of this procedure, the Union and School District shall, within ten days after the request to arbitrate, attempt to agree upon the selection of an arbitrator. If no agreement on an arbitrator is reached, either party may request the Commissioner to provide a list of arbitrators, pursuant to P.E.L.R.A., providing such request is made within twenty days after the request for arbitration. The parties shall select an arbitrator from this list within thirty days after the receipt of said list by the School District. Failure to agree upon an arbitrator, failure to request an arbitrator from the Commissioner, or failure to select an arbitrator from the list within the time periods provided herein shall constitute a waiver of the grievance.

Subd. 4. Hearing: The grievance shall be heard by a single arbitrator and both the School District and Union may be represented by such person or persons as they may choose and designate, and the parties shall have the right to a hearing at which time both parties will have the opportunity to submit evidence, offer testimony, and make oral or written arguments relating to the issues before the arbitrator. The proceeding before the arbitrator shall be a hearing de novo.

Subd. 5. Decision: The decision by the arbitrator shall be rendered within thirty days after the close of the hearing. Decisions by the arbitrator in cases properly before the arbitrator shall be final and binding upon the parties, subject, however, to the limitations of arbitration decisions as provided in P.E.L.R.A. The arbitrator shall issue a written decision and order including findings of fact, which shall

be based upon substantial and competent evidence presented at the hearing. All witnesses shall be sworn upon oath by the arbitrator.

Subd. 6. Expenses: The Union and School District shall each bear its own expenses in connection with arbitration including expenses relating to the party's representatives, witnesses, and any other expenses which the party incurs in connection with presenting its case in arbitration. A transcript or recording shall be made of the hearing at the request of either party with the cost of the transcript or recording being borne by the party making the request, unless the parties mutually agree to share the expense. The parties shall share equally fees and expenses of the arbitrator, and any other expenses the parties mutually agree are necessary for the conduct of the arbitration.

Subd. 7. Jurisdiction: The arbitrator shall have jurisdiction over disputes or disagreements relating to grievances properly before the arbitrator pursuant to the terms of this procedure. The jurisdiction of the arbitrator shall not extend to proposed changes in terms and conditions of employment as defined herein and contained in this written agreement; nor shall an arbitrator have jurisdiction over any grievance which has not been submitted to arbitration in compliance with the terms of the grievance and arbitration procedure as outlined herein; nor shall the jurisdiction of the arbitrator extend to matters of inherent managerial policy, which shall include but are not limited to such areas of discretion of policy as the functions and programs of the employer, its overall budget, utilization of technology, the organizational structure, and selection and direction and number of personnel. In considering any issue in dispute, in its order the arbitrator shall give due consideration to the statutory rights and obligations of the public School Boards to efficiently manage and conduct its operation within the legal limitations surrounding the financing of such operations.

SECTION 9 ELECTION OF REMEDIES AND WAIVER: A party instituting any action, proceeding or complaint in a federal or state court of law, or before an administrative tribunal, federal agency, state agency, or seeking relief through any statutory process for which relief may be granted, the subject matter of which may constitute a grievance under this Agreement, shall immediately thereupon waive any and all rights to pursue a grievance under this article. Upon issuing a proceeding in another forum as outlined herein, the Union's right to initiate a grievance on behalf of the employee pursuant to this article shall be considered to have been waived or, if the grievance is pending in the grievance procedure, the right to pursue it further shall be immediately waived.

This section shall not apply to actions to compel arbitration as provided in this Agreement; or to enforce the award of an arbitrator; or when the court has so ordered; nor shall this section apply to any situation when its application would be considered unlawful retaliation or reprisal under applicable federal or state law.

ARTICLE 9

HOLIDAYS AND VACATION SCHEDULE

SECTION 1 OBSERVED HOLIDAYS. The following holidays will be recognized without pay: Juneteenth, Labor Day, Thanksgiving Day, President's Day, Christmas Day, New Year's Day, Friday following Thanksgiving Day, and two (2) Teacher Convention days, provided, however, that President's Day may be used as a first make-up day because of emergencies and drivers required to work. Provided further, that if Friday following Thanksgiving Day and the two (2) Convention days become days school is in session, drivers shall be required to work at regular pay. Any other holiday worked will be paid at time and one-half.

ARTICLE 10

WORKDAY, WORKWEEK, AND WORK YEAR

SECTION 1 HOURS. Bus drivers generally work five (5) hours per day, Monday through Friday, plus extra driving work as is assigned below. All driving done within the block of time as specified above shall normally be on a two and one-half (2 1/2) hour continuous time basis for all regular runs, except when the educational needs of the district may require a dismissal for conference days, in service days, snow storms or other emergencies. The Fredenberg run may be assigned on a 3-2 or 2 1/2-2 1/2 hourly basis as needs of the district indicate.

SECTION 2 ADDITIONAL HOURS. Extra driving beyond twenty-five (25) hours shall be assigned and performed on a rotation basis, but in each instance to the driver with the lowest number of hours on the weekly driving assignment sheet. In case of ties, seniority shall prevail. The assignment sheet shall include all paid hours and hours forfeited by each driver. A new weekly assignment sheet shall be initiated annually on the first day of school of the new school term.

SECTION 3 SUMMER SCHOOL RUNS. All regularly scheduled summer school runs shall be assigned by seniority with the most senior person offered the run first and so on down the list. All other runs (i.e., extra driving) during the summer shall be assigned according to Section 2. Employees shall sign up for regularly scheduled summer school runs by May 30 of each year to indicate their availability to drive. The employer agrees to post regularly scheduled summer school runs by May 30 of each year. An employee applying his seniority by accepting a summer run may not bump another driver should a new run become available.

SECTION 4 NOON RUNS. At the beginning of each school year, and for the first three-month period (fall), drivers shall have the opportunity to bid on the noon run on the basis of seniority, starting from the top of the list and working downward. For the second and third three-month periods (winter and spring), the same aforementioned process shall be followed. Once a driver is selected to drive a noon run, that driver shall not be eligible to drive a noon run for the remainder of that school year. If the noon runs go unfilled after exhausting the seniority list, the person who has already driven a noon run may elect to take it. The least senior driver shall be required to drive the available noon run, and inverse seniority shall apply until all noon runs are filled. After completion of the selection process, selection of routes shall be made on a seniority basis. Drivers shall elect to drive or be charged for forfeiting. The assignment shall be included on the weekly assignment sheet and rotated every three (3) months. If, as a result of this section, the District shows an increase in overtime payments, the Union and the District agree to review and correct the problem if one exists.

SECTION 5 OVERTIME. Overtime is work beyond forty (40) hours per week and is an extension of extra driving, and shall be compensated at the rate of time and one-half (1 1/2) based on the extra driving rate(s). The process of assignment shall flow out of the formula found in Section 2 of this article.

SECTION 6 EXTRA DRIVING AVAILABILITY. Drivers who will not be available for extra driving during the school year shall notify the foreman in writing prior to September 1 and prior to January 15. Drivers who request to return shall enter at the highest accumulative total hours on the weekly driving assignment sheet. Newly hired drivers shall also enter at the highest accumulative total hours on the weekly driving assignment sheet.

Employees absent from work because of illness or personal reasons for a short duration not exceeding ten (10) working days shall be charged as per Section 2 of this Article as if they had forfeited their driving time.

Employees absent from work for over ten (10) working days shall be entered on the extra driving assignment sheet at the highest accumulative total hours that week the employee returns.

SECTION 7 WORK YEAR. The work year for the bus drivers will be identical to the school calendar. Drivers shall be on duty and provide services, as established by the school calendar, for 177 duty days for the 2026 – 2027 school year and 177 duty days for the 2027 – 2028 school year. The Bus Foreman position duty hours are 728 hours per school year.

ARTICLE 11

SAFETY AND HEALTH

SECTION 1 ENFORCEMENT OF SAFETY RULES. Both parties will hold themselves responsible for mutual cooperative enforcement of safety rules and regulations.

SECTION 2 SAFTEY. Should an employee complain to the Supervising Administrator that his/her work requires him to be in unsafe or unhealthy situations, in violation of acceptable safety rules, the matter shall be reported to the Director of Business Services. If the matter is not adjusted satisfactorily, the matter will be reported and discussed with the Superintendent. If further action becomes necessary, the matter will be brought to the attention of the Board of Education. Action beyond this level is available to the employee in that he/she may process the matter as a grievance according to Article 8 of this agreement.

SECTION 3 UNIFORMS. Employees will wear uniforms that the District has agreed to provide and maintain for the Bus Drivers.

SECTION 4 PHYSICAL EXAMINATION. The Employer agrees to pay for a state-required physical examination for all bus drivers. The School District will designate a clinic to perform the physical examination, and work with their staff to design a comprehensive physical examination. Appointments will be established through the district in cooperation with the bus drivers.

ARTICLE 12

EMPLOYER BENEFIT PLANS

SECTION 1 HEALTH AND HOSPITALIZATION INSURANCE.

The selection of the insurance carrier and policy shall be made by the school district.

Beginning January 1, 2027, the School District shall contribute the amount of 95% of the HSA single premium per month for all full-time employees (25 hours per week) employed by the School District who qualify for and are enrolled in the School District group health and hospitalization plan. Any additional cost of the premium shall be borne by the employee and paid by payroll deduction.

Subd. 1. Health and hospitalization insurance benefits paid to a married couple of employees in the district shall be as follows, subject to the requirements, restrictions and limitations imposed by the District's health and hospitalization insurance provider. Such employees who are part-time shall be entitled to the District contributions specified below on a pro rata basis determined according to the amount of their full-time equivalent position. The options are as follows:

One Family Health and Hospitalization Coverage for Both Employees

The married employees may elect, if eligible, to both be covered by one family group health insurance plan.

The District shall contribute a sum not to exceed District's monthly contribution reference above toward the premium for family coverage for one member of a married couple of full-time employees employed by the School District who qualify for and are enrolled in the School District group health and hospitalization plan.

In addition, the District shall contribute a sum not to exceed the lesser of one hundred percent (100%) of the cost of the premium for single coverage or the current District contribution for the other member's bargaining unit of a married couple of full-time employees employed by the School District who qualify for and are enrolled in the School District group health and hospitalization plan. The cost of the single premium shall be the single premium associated with the same health insurance plan under which the married employees maintain dependent coverage.

OR

Single Health and Hospitalization Coverage for Each Employee

Each employee may choose to be covered by a single group health insurance plan provided by the District.

The District shall contribute a sum not to exceed the lesser of one hundred percent (100%) of the cost of the premium for single coverage or the current District contribution for each member's bargaining unit of a married couple of full-time employees employed by the School District who qualify for and are enrolled in the School District group health and hospitalization plan.

OR

Separate Family Health and Hospitalization Coverage for Each Employee

If eligible, each employee may choose to be covered by a separate family group health insurance plan provided by the District.

The District shall contribute a sum not to exceed District's monthly contribution referenced above toward the premium for family coverage for one member of a married couple of full-time employees employed by the School District who qualify for and are enrolled in the School District group health and hospitalization plan.

For the other employee the District shall contribute for family coverage the current District contribution for the member's bargaining unit toward the premium for family coverage for that member of a married couple of full-time employees employed by the School District who qualify for and are enrolled in the School District group health and hospitalization plan.

OR

Single Health and Hospitalization Coverage for One Employee and Family Health and Hospitalization Coverage for the Other Employee

One of the married employees may elect to be covered by a single group health insurance plan and the other employee, if eligible, may elect to be covered by a family group health

insurance plan provided by the District.

For the employee covered by the family group health insurance plan, the District shall contribute a sum not to exceed District's monthly contribution referenced above toward the premium for family coverage for one member of a married couple of full-time employees employed by the School District who qualify for and are enrolled in the School District group health and hospitalization plan.

For the employee covered by the single group health insurance plan, the District shall contribute a sum not to exceed the lesser of one hundred percent (100%) of the cost of the premium for single coverage or the current district contribution for the member's bargaining unit of a married couple of full-time employees employed by the School District who qualify for and are enrolled in the School District group health and hospitalization plan.

Employees working less than full-time (less than 25 hours per week) shall have contributed a pro-rata share of the District's contribution but in no case shall the employer contribute any dollars for or toward the payment of premium for employees who work less than fourteen (14) hours per week.

Retirement. Retiring employees may be continued on the then existing retiree hospital and medical insurance group plans provided that (1) they have worked for the Hermantown School system ten (10) years immediately previous to retirement, and (2) they qualify for retirement under the rules and regulations of the Public Employees Retirement Association. Any employee accumulating up to one hundred thirty (130), days of unused sick leave time shall have credit to his/her account for payment, upon retirement, of hospital and medical insurance in an amount equal to the number of days of accumulated sick leave time (not exceeding one hundred thirty (130) days) times the employee's average daily earnings during the last payroll period prior to retirement.

The retiring employee may elect to have single or family coverage by such insurance, in the then existing retiree subgroup, with the cost thereof, single or family, assessed to the balance of the account described above.

Surviving dependents may continue coverage under the retiree subgroup after the death of the **retired** employee.

It is understood that the school district's only obligation is to purchase an insurance policy and pay such amounts as agreed to herein and no claim shall be made against the school district as a result of a denial of insurance benefits by an insurance carrier.

Subd. 2. HSA Contributions. The District will contribute towards the employee's HSA account if the employee is employed by the School District and qualifies and is enrolled in the School District's HSA compatible group health and hospitalization plan. The amount the district will contribute will be $1,500 annually. This amount will be prorated based on employee insurance enrollment date.

SECTION 2 LONG TERM DISABILITY INSURANCE. The School District shall provide long term disability insurance coverage for the employees under the School District's group plan.

SECTION 3 DISABILITY INCOME. An employee shall not accumulate sick leave or other incidents of

employment during the period that the employee is drawing disability income.

SECTION 4 LIFE INSURANCE. Life insurance protection in the amount of Thirty Thousand Dollars ($30,000) shall be provided to all regular and entry level drivers employed twenty-five (25) hours per week or more.

SECTION 5 DENTAL INSURANCE. The school district shall make group dental insurance program available to all full-time drivers. The school district contribution shall not exceed 100% of the single premium per month effective September 1, 2026, and September 1, 2027.

Subd.1. Dental insurance benefits provided to a married couple of employees in the district shall be as follows, subject to the requirements, restrictions and limitations imposed by the District's dental insurance provider. The options are as follows:

One Family Dental Coverage for Both Employees

The married employees may elect, if eligible, to both be covered by one family group dental insurance plan.

The District shall contribute a sum not to exceed District's monthly contribution reference above toward the premium for family coverage for one member of a married couple of full-time employees employed by the School District who qualify for and are enrolled in the School District group dental plan.

In addition, the District shall contribute a sum not to exceed the lesser of one hundred percent (100%) of the cost of the premium for single coverage or the current District contribution for the other member's bargaining unit of a married couple of full-time employees employed by the School District who qualify for and are enrolled in the School District group dental plan. The cost of the single premium shall be the single premium associated with the same dental insurance plan under which the married employees maintain dependent coverage.

OR

Single Dental Coverage for Each Employee

Each employee may choose to be covered by a single group dental plan provided by the District.

The District shall contribute a sum not to exceed the lesser of one hundred percent (100%) of the cost of the premium for single coverage or the current District contribution for each member's bargaining unit of a married couple of full-time employees employed by the School District who qualify for and are enrolled in the School District group dental plan.

OR

Separate Family Dental Coverage for Each Employee

If eligible, each employee may choose to be covered by a separate family group dental insurance plan provided by the District.

The District shall contribute a sum not to exceed District's monthly contribution referenced above toward the premium for family coverage for one member of a married couple of full-time employees employed by the School District who qualify for and are enrolled in the School District group dental plan.

For the other employee the District shall contribute for family coverage the current District contribution for the member's bargaining unit toward the premium for family coverage for that

member of a married couple of full-time employees employed by the School District who qualify for and are enrolled in the School District group dental plan.

OR

Single Dental Coverage for One Employee and Family Dental Coverage for the Other Employee

One of the married employees may elect to be covered by a single group dental insurance plan and the other employee, if eligible, may elect to be covered by a family group dental insurance plan provided by the District.

For the employee covered by the family group dental insurance plan, the District shall contribute a sum not to exceed District's monthly contribution referenced above toward the premium for family coverage for one member of a married couple of full-time employees employed by the School District who qualify for and are enrolled in the School District group dental plan.

For the employee covered by the single group dental insurance plan, the District shall contribute a sum not to exceed the lesser of one hundred percent (100%) of the cost of the premium for single coverage or the current district contribution for the member's bargaining unit of a married couple of full-time employees employed by the School District who qualify for and are enrolled in the School District group dental plan.

ARTICLE 13 - SICK LEAVE

ABSENCES FROM WORK

SECTION 1 ABSENCE. For absence because of illness including employee's child, attendance upon a member of the immediate family requiring care or attendance of such employee, death in the immediate family of the employee, the employee shall be compensated at the employee's regular rate.

A full-time (25 hours per week 9 months) employee will earn sick leave at the rate of thirteen (13) days for 2026-2027 school year, thirteen (13) days for 2027-2028, for each full year of service with the school district accruing as of the beginning of the school year. Sick leave for less than a full year of service shall be pro-rated.

Unused sick leave days may accumulate to a maximum of one hundred thirty (130) days per employee. Employees will earn up to (13) additional days of sick leave for 2026-2027 and up to (13) additional days of sick leave for 2027-2028. In no instance shall the total accumulative days exceed one hundred thirty (130) days.

Authorized sick leave with pay shall include regularly scheduled routes, but not include extra driving.

Employees working less than full time shall earn sick leave on a pro-rata basis. Employees working less than twelve (12) hours per week shall not be provided with sick leave benefits.

A physician's statement in writing shall be required for any sick leave continuous for three (3) or more day's duration.

SECTION 2 WORKER'S COMPENSATION. For injury where worker's compensation is involved, sick leave shall be paid for the difference to guarantee the employee no less than full salary with deductions for such leave used on a pro-rata monthly basis at the injured employee's discretion.

SECTION 3 BEREAVEMENT. A leave of absence with pay, not to exceed three (3) days, shall be granted for the death of an employee's spouse, child or step-child, parents, step-parents, parents or step-parents of spouse, siblings, grandparents and grandchildren. Leave of absence for one (1) day with pay shall be granted because of death of uncles, aunts, nieces, nephews, first cousin, grandparents of spouse, brother-in-law, and sister-in-law. The leave days will be granted for arrangements and/or attendance at a funeral. Bereavement leave will not be deducted from accumulated sick leave. Unused bereavement leave for such purposes shall not be accumulated.

Additional time may be granted, at the discretion of the superintendent, principal or superintendent's designee, upon written evidence of special need for such additional time. The Superintendent will determine whether to deduct time from sick leave, personal leave, vacation, or a pay deduct.

SECTION 4 SHORT-TERM LEAVE OF ABSENCE. Employees who request time off without pay for a period of one full day (1) or less shall notify the Bus Foreman who shall deny or approve the request. Employees who request one (1) to four (4) full days off without pay shall submit said request in writing or verbally and in advance of the proposed time off to the Superintendent or his designee who shall approve or deny said request. In emergency situations, written requests may be submitted after the fact; however, it is understood that the employee will assume the responsibility in such an emergency of notifying the Superintendent or the employee's supervisor at the earliest possible time.

SECTION 5 LONG-TERM LEAVE OF ABSENCE. Employees who request five (5) or more full days off without pay and fringe benefits must submit said request to the Union and the Hermantown School District for their agreement for a period of time satisfactory to both parties. Leaves of absence will not be granted for longer than one (1) year. An Employee, granted a leave of absence for a given school year, is required to submit a letter of intent to return to work for the subsequent school year by April 1. If the employee fails to submit the letter of intent, he or she will be removed from the seniority list and no longer considered an employee of the District.

SECTION 6 PERSONAL LEAVE. Three (3) non-cumulative personal leave days each year for incidents involving special obligations or emergencies which cannot be scheduled on non-duty days and are not authorized in other leave provisions is provided under the following guidelines:

a) A written request shall be submitted to the Superintendent or the employee's supervisor at least five (5) days prior to the requested leave day.
b) In emergency situations, written requests may be submitted after the fact; however, it is understood that the employee will assume the responsibility in such an emergency of notifying the Superintendent or the employee's supervisor at the earliest possible time.
c) Personal leave shall require no reason.
d) Personal leave will not be deducted from accumulated sick leave.

SECTION 7 JURY DUTY. For jury duty, the employees shall receive full salary, but agree to submit to the school district the fee paid them for serving on jury duty.

ARTICLE 14

WAGE RATES

Task	2026-2027	2027-2028
	Hourly	**Hourly**
Regular Driving	$31.00	$31.75
Extra Driving	$29.00	$30.00
Bus Washing (per bus)	$25.00	$27.50
	Annual Salary (12 months)	**Annual Salary (12 months)**
Bus Foreman	$32,500	$35,000

Longevity Pay – Must start the first day of school and drive one school year to count toward longevity. Must submit a longevity voucher on June 1st each year to receive this stipend. Employee who resigns will lose seniority for longevity pay (retirements excluded).

a. 5 years - $250 annual stipend
b. 10 years - $500 annual stipend
c. 15 years - $750 annual stipend

With Superintendent approval, the District will pay for DOT bus driver certification requirements. Employee must work as a bus driver for the District one (1) year or employee would need to repay these costs.

District will pay $1,000 for a driver to become a DOT certified trainer (classroom trainer) and $500 each year after to maintain this license. With Superintendent approval, the District will pay for the coursework.

Employees will be paid over 24 semi-monthly payments. Summer monthly driving rate shall be paid off the

Regular Driving Salary Schedule

Substitute drivers employed to drive temporarily in the absence of a regular or entry-level driver are classified as day-to-day substitutes. They will be paid at an hourly rate set by the school board each year. Substitutes hired as entry-level drivers will enter the pay rate schedules as listed or at the substitute hourly rate, whichever is greater. No temporary or sub-driver shall be employed for longer than twenty (20) consecutive days unless in substitution for a regular or entry-level employee on leave. A driver from Hermantown who retires will receive the same rate as the regular drivers if they sub.

Drivers reporting back after they have completed their scheduled driving who perform other local short trips, and those on weekends, including the noon runs, shall be paid at the extra driving rate schedule. Bus drivers shall be guaranteed a minimum of two (2) hours' pay at their individual extra driving hourly rate for performing local short trips and those on weekends.

Out of town/State tournaments only: Guaranteed minimum of eight (8) hours pay for long-term trips requiring overnight stay. The first and last days of said trips would not apply to this guarantee.

Job Sharing Employees: 1. Seniority earned will be prorated while job sharing. 2. Each individual must work 14 hour per week average during the school year. 3. Returning to full-time is possible when there is an opening (can't bump). 4. If your job share partner leaver his/her position, the other person will return to full-time until

the other half of the job share position is filled. 5. Additional hours – job sharing employees do not have rights to additional hours (p. 12, sec. 2). 6. Job sharing employees are not eligible for employer benefit plans (p. 13-17). 7. Salary is the same as stated in the contract. 8. Sick and personal days are prorated. 9. The district reserves the right to deny a job share proposal request based on ability to fill positions. 10. Job share employees must together create a schedule for the year and turn it into the transportation director and the district office.

ARTICLE 15

MISCELLANEOUS PROVISIONS

SECTION 1 MILITARY SERVICE. Any employee entering the Army, Navy, Air Force or Marines or on active duty shall, upon return from service, be entitled to reinstatement in a job with pay equal to or better than when the employee left if the employee still qualifies. The employee shall suffer no loss of seniority for periods of compulsory military duty or for periods of military reserve training.

SECTION 2 SAVINGS CLAUSE. If any provisions of this agreement are or shall at any time be declared contrary to law or regulation, then such provisions shall not be applicable or performed or enforced except to the extent permitted by law or regulation, and all other provisions of this agreement shall continue in full force and effect. The voiced provision shall be renegotiated at the request of either party.

SECTION 3 ACCESS TO PREMISES. The Hermantown School District shall permit representatives of Local 66 to enter the premises at any time for individual discussion of working conditions with employees provided care is exercised by such representatives that they do not interfere with the performance of duties assigned to the employee, and that the District is notified.

SECTION 4 PAYROLL DEDUCTIONS. Payroll deduction shall be made bi-monthly from the salary of employees upon written notice by the Union for the purpose of deducting the monthly Union fees and submitting said amounts to the properly certified Union representatives.

SECTION 5 INJURY. Insofar as possible, drivers who have contracted an injury making them unable to drive, but able to do other work, shall be given consideration by the Board to some available job opportunity.

SECTION 6 JACKETS. The District will purchase a jacket for each existing driver and newly hired transportation unit employees. The jacket is required to be worn by the employees and if lost or damaged will be the employee's responsibility to replace, up to $100. A jacket needing to be replaced due to normal wear may be re-issued at the supervisor's discretion at the employer's expense.

ARTICLE 16

DURATION AND EFFECT

SECTION 1 TERM AND REOPENING NEGOTIATIONS. This Agreement shall remain in full force and effect for a period commencing on its date of execution, through June 30, 2028, and thereafter as provided by P.E.L.R.A. If either party desires to modify or amend this Agreement commencing at its expiration, it shall give written notice of such intent no later than 120 days prior to said expiration. Unless otherwise mutually agreed, the parties shall not commence negotiations more than 90 days prior to the expiration of this Agreement.

SECTION 2 EFFECT. This Agreement constitutes the full and complete Agreement between the School District and the exclusive representative representing the employees. The provisions herein relating to terms and

conditions of employment supersede any and all prior Agreements, resolutions, practices, the School District policies, rules or regulations concerning terms and conditions of employment inconsistent with these provisions. Nothing in this Agreement shall be construed to obligate the School District to continue or discontinue existing or past practices, or prohibit the school district from exercising all management rights and prerogatives, except insofar as this exercise would be in express violation of any term or terms of this Agreement.

SECTION 3 FINALITY. Should a dispute arise relative to wages, hours, and working conditions, in which the issue is not specifically covered by this contract, the parties shall negotiate on the basis of the cooperative spirit of this agreement.

SECTION 4 SEVERABILITY. The provisions of this Agreement shall be severable, and if any provision thereof or the application of any such provision under any circumstances is held invalid, it shall not affect any other provisions of this Agreement or the application of any provision thereof.

IN WITNESS WHEREOF, The parties have executed this Agreement as follows:

For Local 66 For School District No.700

President_____ Director_____

Director Council 5_____ Director_____

Business Representative_____

Union Steward_____

Dated this_____day of_____20___ Dated this_____day of _____20___